

City of Raleigh: Neighborhood Stabilization Program (NSP3)

Coleman Street Apartments Project FACT SHEET



1002 Coleman: Before demolition
January 31, 2011



1002 Coleman: After demolition
May 9, 2011

Goal

Development of 13-16 attractive, green, energy-efficient, well-managed residential rental units

- 40% of units affordable to very-low income households (50% AMI)
- 60% of units affordable to households at or below moderate income (80% AMI)

Development Schedule: Key Dates

<u>August 2010</u>	Blighted, foreclosed 12-unit apartment building acquired with NSP1 funds.
<u>Sept-Nov 2010</u>	Remaining tenants relocated to safe, sanitary housing of their choice.
<u>March 2011</u>	Raleigh awarded \$950,000 NSP3 grant for new construction of affordable residential rental units at 1002 Coleman.
<u>April 2011</u>	Demolition of blighted apartment building.
<u>Sept 2011</u>	Request For Proposals published.
<u>Sept 2013</u>	Construction complete.

City Participation

To ensure long-term affordability, the City's support for this project will include:

Land Costs

Ownership of the land remains with the City; land cost to developer is \$1.00 per year with 99-year lease; ownership of improvements remains with developer.

Infrastructure Improvements

Upgrades for sanitary sewer and storm water system to be paid by the City; these infrastructure improvements to be completed before site is leased to developer.

Partial Financing

The City provides zero-interest construction loan up to \$800,000 converted, upon receipt of Certificates of Occupancy, to permanent financing (zero-interest, 30-year deferred).

Reasons for extensive City support of this project

To ensure: (1) long-term affordability of the site, (2) quality architectural design and solid construction, (3) integrated, whole system design and the highest possible energy efficiency of the improvements, and (4) excellent property management to create a quality living environment for tenants. The affordability period for all units must be at least 30 years.